

**GOVERNMENT OF INDIA
LABOUR
LOK SABHA**

UNSTARRED QUESTION NO:2067
ANSWERED ON:12.03.2001
EMPLOYEES COVERED UNDER ESI SCHEME
AMBATI BRAHMANAIAH

Will the Minister of LABOUR be pleased to state:

- (a) the number of employees covered under ESI Scheme in 1999-2000 as compared to the previous year;
- (b) the reasons for the decline in the number of patients covered under ESI Scheme during 1999-2000;
- (c) the steps taken to reduce this decline; and
- (d) the details of steps taken to increase the area covered under ESI Scheme in the current year?

Answer

MINISTER OF LABOUR (DR. SATYANARAYAN JATIYA)

- (a): As on 31-3-2000 there were 78.62 lakh employees covered under the ESI Scheme as against 80.85 Lakh employees covered in the preceding year.
- (b): Decline in coverage of ESI Scheme is attributable to closure of industries in certain States, shifting/re-location of industries in non-implemented areas and most importantly due to general increase in wages of employees enabling them to cross the wage limit prescribed for coverage under the ESI Scheme.
- (c) & (d): Number of employees covered under the ESI Scheme generally keeps on fluctuating due to the statutory wage ceiling prescribed for coverage. In order to provide ESI benefits to maximum number of workers, the wage ceiling for coverage is reviewed and revised from time to time. Accordingly the wage ceiling for coverage under the ESI Scheme was last revised from Rs.3000/- to Rs.6500/- with effect from 1.1.1997. Meanwhile the State Governments have been requested to extend the ESI Scheme to new areas where sufficient number of industrial workers are available. Intensive survey has also been launched to detect the incidence survey has also been launched to detect the incidence of under reporting by the employer and cover the eligible workers who are presently outside the ESI Scheme.